Australian Bureau of Statistics

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WHAT'S NEW THIS MONTH

This month's **SA Stats** includes a feature article that focuses on the Vocational Education Training (VET) sector in South Australia. International students are significant contributors to the South Australian economy. Historically, growth in international student enrolments in South Australia has been driven by students choosing to study at one of the state's Higher Education institutions, however, in recent years growth in international student enrolments in the VET sector has exceeded that of all other educational sectors.

The number of course enrolments by students choosing to study here has trebled since 2002 and the education related export income generated by these students accounted for almost 10% of South Australia's total export income in 2009.

Topics which have been updated with new data in this month's issue of **SA Stats** include: Construction; Consumption; Housing Finance; International Merchandise Trade; Investment; Labour Force; State Accounts; and Water.

INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or James Inglis on Adelaide (08) 8237 7405, or email sa.statistics@abs.gov.au.

Feature Articles

FEATURE ARTICLES

2010

Jun 2010	International Students and the VET sector in South Australia
May 2010	Interstate Departures from South Australia
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Oct 2008	Contributors to Adelaide's Price Rises
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	Water Use in Agriculture - A South Australian Perspective
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	Recorded Crime - Victims, South Australia, 2006
Oct 2007	Attendance at Cultural Venues and Events by South Australians
Aug 2007	Children's Participation in Cultural and Leisure Activities - South Australia, 2006
Jul 2007	South Australia's big picture: Census highlights the changes in South Australian society
	Participation in Sports and Physical Recreation Activities - South Australia
May 2007	Health of South Australians - Body Mass
	Household Use of the Internet in South Australia
Apr 2007	Employment in the Retail Trade Industry in South Australia
	River Murray - South Australia
Mar 2007	Household Waste Management in South Australia
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Jan 2007	Gross Domestic Product and Gross State Product
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Dec 2006	Rainfall in South Australia, South Australian Reservoirs, Water Consumption
Nov 2006	Health of South Australians - Health related actions
Oct 2006	National Regional Profile - New Release, New Features

Sep 2006	Fuel Production and Consumption, Greenhouse Gas Emissions, Land Use Change and Forrestry
Aug 2006	Health of South Australians - Health Risk Behaviours
	The South Australian Grape Industry
Jul 2006	Use of IT By Australian Businesses
	Household use of the Internet in South Australia
May 2006	Health of South Australians - Health Status
Apr 2006	International Trade in Services
	International Students in South Australia
Feb 2006	Labour Force and Other Characteristics of Migrants in South Australia
Jan 2006	Survey of work in selected Culture & Leisure Activities
2005	
Nov 2005	Household Income in South Australia
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Oct 2005	SA Business and Innovation
	Recent History of Population change in South Australia, 1993-94 to 2003-04
Aug 2005	Average Weekly Earnings
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Demography

DEMOGRAPHY

ESTIMATED RESIDENT POPULATION

The estimated resident population (ERP) for South Australia was 1,629,500 at 30 September 2009, an increase of about 20,900 persons (1.3%) since 30 September 2008. Nationally, the ERP was 22,065,700 at 30 September 2009, an increase of about 451,900 persons (2.1%) since 30 September 2008.

ESTIMATED RESIDENT POPULATION, Preliminary data

	Population at end September quarter 2009 '000	**Change over previous year** '000	**Change over previous year** %
New South Wales	7 165.4	117.0	1.7
Victoria	5 473.3	117.9	2.2
Queensland	4 450.4	115.2	2.7
South Australia	1 629.5	20.9	1.3
Western Australia	2 259.5	64.3	2.9
Tasmania	504.4	5.0	1.0
Northern Territory	227.0	5.1	2.3
Australian Capital Territory	353.6	6.5	1.9
Australia(a)	**22 065.7**	**451.9**	**2.1**

(a) Includes Other Territories comprising Jervis Bay Territory, Christmas Island and the Cocos (Keeling) Islands.
Source: Australian Demographic Statistics (cat. no. 3101.0).

In 2008-09, the South Australian Statistical Division (SD) with the largest percentage increase in ERP was Outer Adelaide (1.9%) followed by Yorke and Lower North (1.4%).

Estimated Resident Population(a)**, By Statistical Division - South Australia**

	2008		2009	
	Population at 30 June '000	Change over previous year %	Population at 30 June '000	Change over previous year %
Adelaide	1 172.6	1.2	1 187.5	1.3
Outer Adelaide	134.1	2.0	136.6	1.9
Yorke and Lower North	46.4	1.1	47.1	1.4
Murray Lands	70.2	0.5	70.4	0.4
South East	65.4	0.8	66.0	0.8
Eyre	35.2	0.6	35.6	1.0
Northern	80.1	0.7	80.5	0.5
South Australia	**1 604.0**	**1.1**	**1 623.6**	**1.2**

(a) Estimates for 2008 are revised to align with new 2008 state and territory totals and estimates for 2009 are preliminary.
Source: Regional Population Growth, Australia 2008-09 (cat. no. 3218.0)

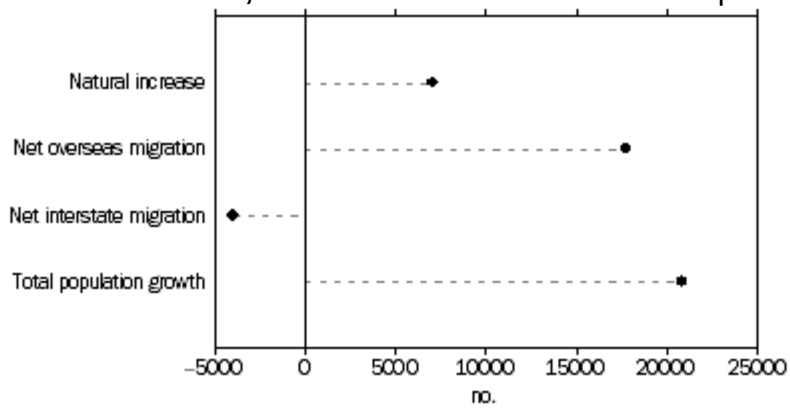
Map of South Australia's Statistical Divisions (PDF 3.083MB)

COMPONENTS OF POPULATION CHANGE

For the year ended 30 September 2009, South Australia recorded a natural increase (i.e. the net of births and deaths) of 7,076 persons. Net overseas migration provided a gain of 17,732 persons in the same period while net interstate migration realised a loss of 3,952 persons.

For the year ended 30 September 2009, Australia recorded a natural increase in population of 154,507 persons; net overseas migration resulted in a gain of 297,369 people.

POPULATION GROWTH, South Australia - Year ended September 2009



Source: Australian Demographic Statistics (cat. no. 3101.0)

Labour Force

LABOUR FORCE

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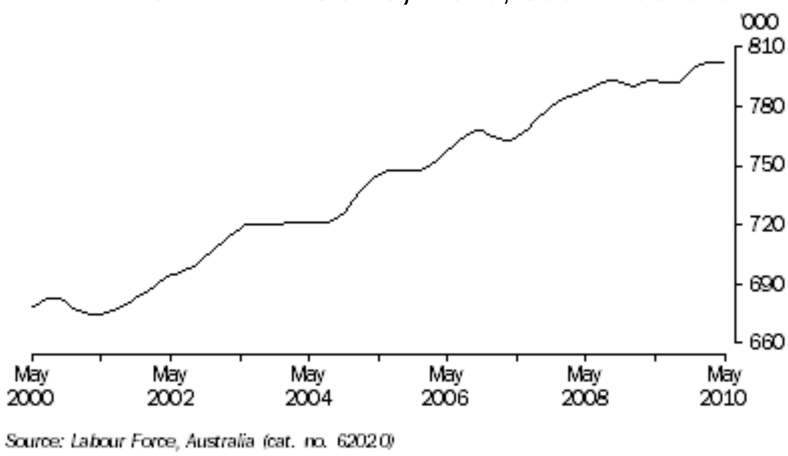
EMPLOYED PERSONS

In trend terms, the total number of persons employed in South Australia has remained relatively stable since the beginning of the year with 802,100 persons employed in May 2010. This represents an increase of 1.1% over the estimate recorded in May 2009 with most of the growth occuring between August and December 2009. Nationally a total of 11,044,600 persons were employed in May 2010; an increase of 2.5% over the corresponding month of the previous year.

EMPLOYED PERSONS, Trend, South Australia



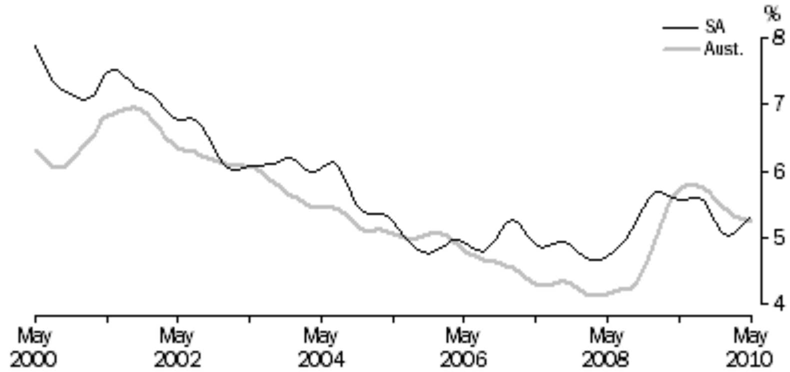
The number of males employed full-time in South Australia in May 2010 was 355,900 (in trend terms); a slight increase (0.1%) from the previous month (355,700). Looking at the composition of all male employees, those working full-time accounted for 81.9% of the male workforce, down from 83.1% in May 2009. The number of females employed full-time increased slightly to be 184,900 in May 2010. After seven consecutive increases, the estimate is now only slightly (0.2%) below the peak recorded in May 2009 (185,300). At that time full-time female employees accounted for 49.8% of the female workforce. In May 2010, this proportion had increased 50.3%.

UNEMPLOYMENT

After falling from 5.6% to 5.0% between September 2009 and January 2010, the unemployment rate for South Australia (in trend terms) has risen for the last four months

and was 5.3% in May 2010. Australian unemployment fell to 5.2% in May 2010, dipping below the South Australian estimate for the first time since March 2009.

UNEMPLOYMENT RATE, Trend



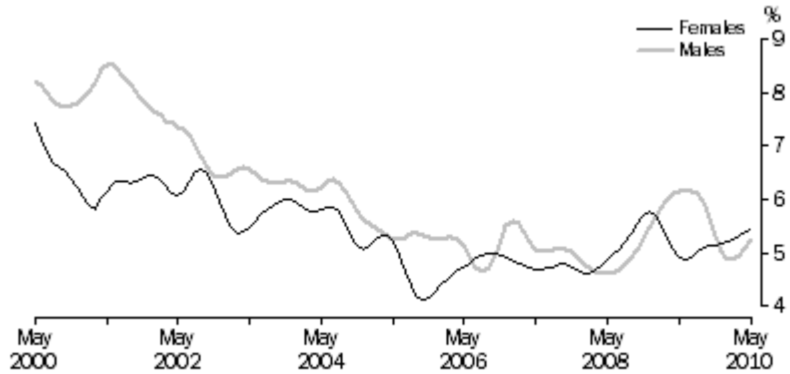
(a) Series break at April 2001.

Source: *Labour Force, Australia* (cat. no. 6202.0)

Since recording a low of 4.9% in January and February 2010, the trend unemployment rate for males in South Australia has been on the rise, climbing to 5.2% in May 2010. This remains lower than the female unemployment rate for the sixth consecutive month. The trend unemployment rate for South Australian females has been steadily increasing since mid 2009 and was 5.4% in May 2010.

Nationally the trend unemployment rates for males and females in May 2010 was 5.2% and 5.3% respectively.

UNEMPLOYMENT RATE, Trend, South Australia



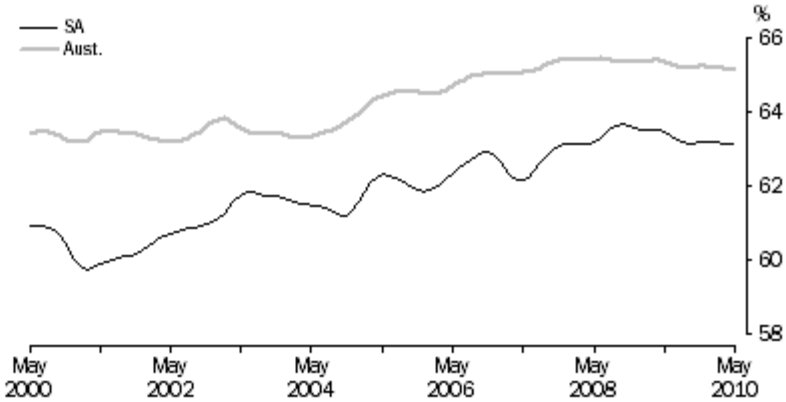
(a) Series break at April 2001.

Source: *Labour Force, Australia* (cat. no. 6202.0)

PARTICIPATION RATE

The trend estimate of the participation rate for South Australia has shown little movement over recent months and was 63.1% in May 2010. Similarly, Australia's trend participation rate has also remained relatively steady over the same period and was 65.1% in May.

PARTICIPATION RATE, Trend

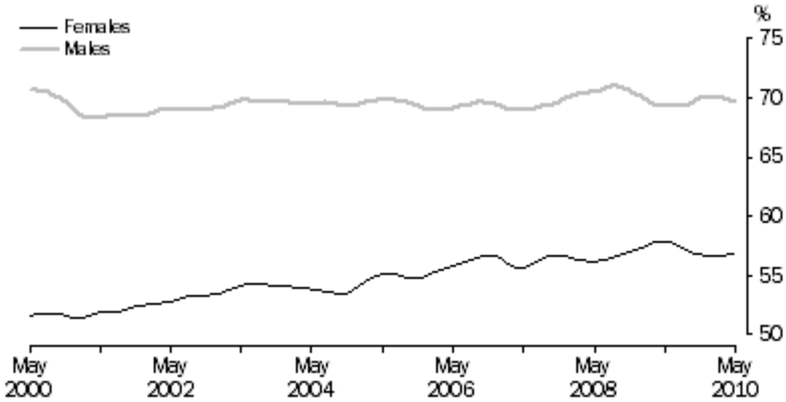


Source: *Labour Force, Australia* (cat. no. 6202.0)

In

South Australia, the participation rate for males has fallen slightly over the last three months to be 69.8% in May 2010. The Australian participation rate for males fell slightly to 72.1% in May 2010, after showing little change over the previous seven months. From a peak of 57.9% in April and May 2009, the participation rate for South Australian females fell to 56.7% in December 2009. After holding steady at this level for the first quarter of 2010, female particpation has risen slightly to be 56.8% in May 2010. The Australian female participation rate remained steady at 58.3% in May 2010.

PARTICIPATION RATE, Trend, South Australia



Source: *Labour Force, Australia* (cat. no. 6202.0)

Incomes

INCOMES

AVERAGE WEEKLY EARNINGS

The trend estimate of average weekly (ordinary time) earnings for full-time adult persons in South Australia increased by 2.1% to $1,132.90 in the 12 months to February 2010. Nationally, the trend estimate of average weekly (ordinary time) earnings increased 5.9%

(up to $1,243.10).

In the 12 months to February 2010, average weekly full-time earnings in South Australia for males increased by 2.9% to $1,200.10. Whilst the rate of growth in South Australian male earnings has slowed it has remained positive. This has not been the case for females with the estimate recorded in February 2010 ($1009.20) 0.5% lower than the corresponding quarter of the previous year ($1,014.50). On average, South Australian females working full-time earn 15.9% less than their male counterparts.

Nationally, male average weekly full-time earnings increased 6.4% to $1,330.90 and female earnings rose 4.6% to $1,092.20 in the year to February 2010.

FULL-TIME ORDINARY EARNINGS, South Australia**:** Trend

For information on the wage price index, please refer to the ' Price Indexes' topic.

State Accounts

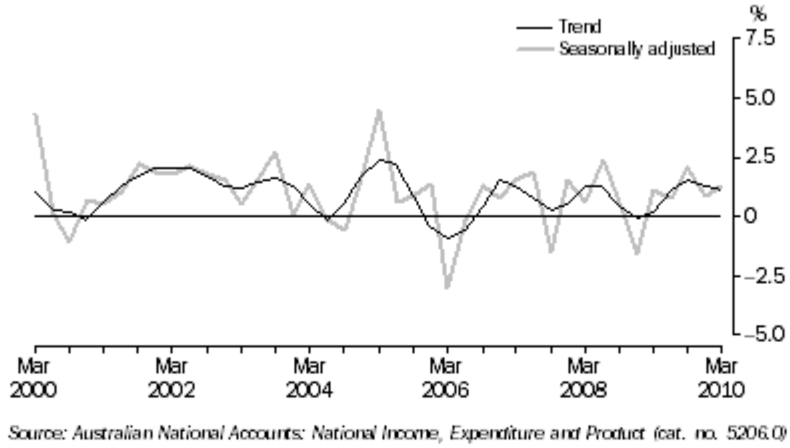
 **STATE ACCOUNTS**

STATE ACCOUNTS

South Australia's March quarter 2010 State Final Demand in chain volume (trend) terms was $21,010m; an increase of 1.1% from the December quarter 2009 and 5.2% over the corresponding quarter of the previous year. Australia's Domestic Final Demand grew 1.2% to $318,713m over the March quarter 2010.

All states and territories recorded increases for the March quarter 2010. New South Wales reported the largest growth for the period (up 1.4%), while Queensland recorded the smallest (up 0.2%).

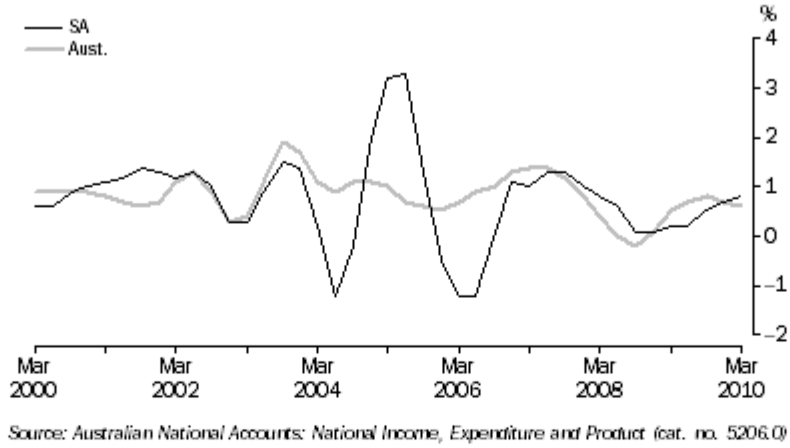
STATE FINAL DEMAND, Chain volume measures, Quarterly change, South Australia



HOUSEHOLD FINAL CONSUMPTION EXPENDITURE (HFCE)

In chain volume (trend) terms, South Australia's March quarter 2010 HFCE was $11,880m; an increase of 0.8% over the result recorded in the December quarter 2009 and representing 7.0% of the national total ($170,025m). The value of HFCE for Australia increased by 0.6% between the December quarter 2009 and March quarter 2010.

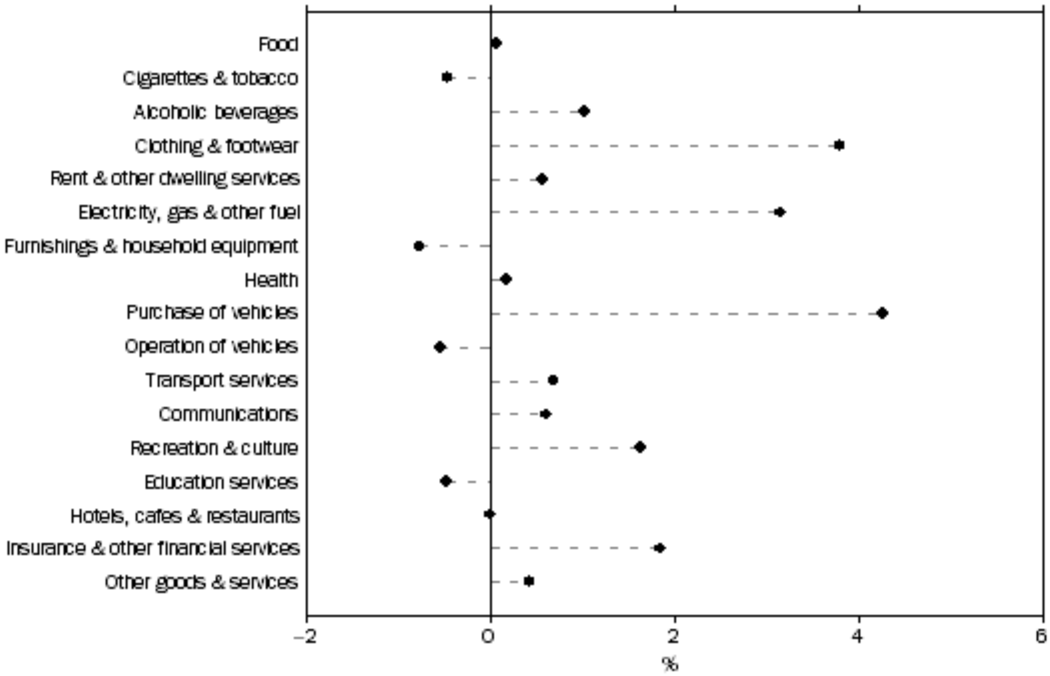
HFCE, Chain volume measures, Trend, Quarterly change



The main contributors to growth in HFCE in South Australia for the March quarter 2010 were Purchase of vehicles (up 4.3% from the December quarter 2009) and Clothing and footwear (up 3.8%). Small decreases were reported against expenditure on Furnishings and household equipment (down 0.8%), Cigarettes and tobacco, Operation of vehicles, and Education services (all down 0.5%).

At the national level, expenditure increases were reported for most categories. The largest increases were for Purchase of vehicles (up 3.0% from the December quarter 2009), Insurance and other financial services (up 1.8%) and Transport services (up 1.0%). The largest decreases in expenditure were for Electricity, gas and other fuel and Operation of vehicles (both down 0.6%) with smaller decreases recorded for Cigarettes and tobacco (down 0.3%) and Alcoholic beverages (down 0.2%).

HFCE, Chain volume measures, Trend, Quarterly change, South Australia **-** March Quarter 2010



Source: Australian National Accounts: National Income, Expenditure and Product (cat. no. 5206.0)

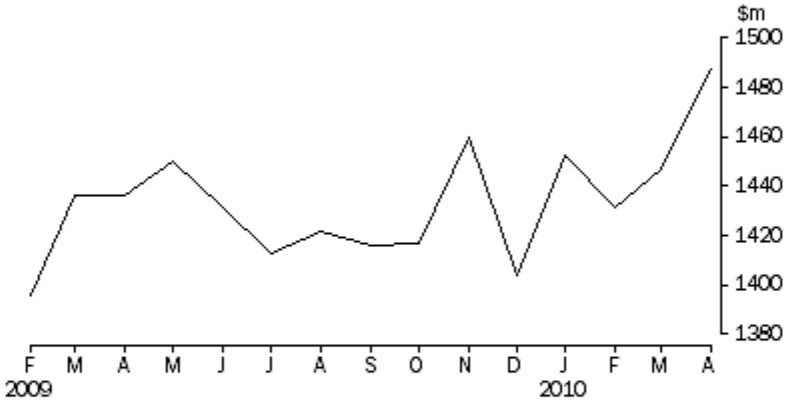
Consumption

CONSUMPTION

RETAIL TRADE

The April 2010 seasonally adjusted estimate for South Australia's retail turnover was $1,488.3m exceeding the previous high of November 2009 ($1,459.6m). This estimate represents an increase of 2.9% over the previous month and is 3.6% above sales recorded in April of the previous year ($1,436.1m). Nationally retail turnover rose to $20,119.3m in April 2010; an increase of 0.6% over the previous month and 0.1% above the previous high recorded in January 2010 ($20,095.9m). South Australia's contribution to total retail turnover in Australia increased to 7.4%.

RETAIL TURNOVER, Seasonally adjusted, South Australia

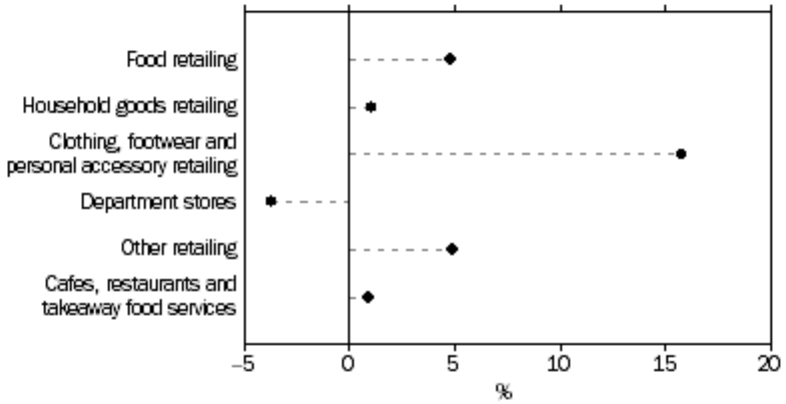


Source: Retail Trade, Australia (cat. no. 8501.0)

Comparing April 2010 with April 2009, the South Australian industry groups with the largest percentage increases in retail turnover (in seasonally adjusted terms) were Clothing, footwear and personal accessory retailing, up 15.8% to $109.8m, Other retailing, up 4.9% to $216.5m, and Food retailing, up 4.8% to $599.4m.

Department stores was the only industry group in South Australia to record a fall in turnover over this period (3.7%).

RETAIL TURNOVER, Seasonally adjusted, Change from April 2009 to April 2010, South Australia



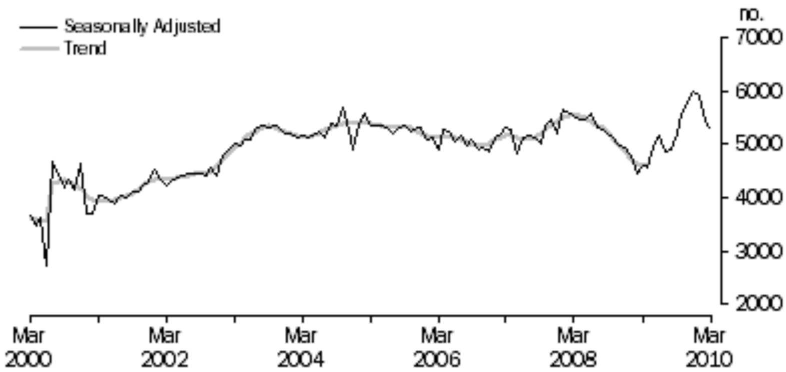
Source: Retail Trade, Australia (cat. no. 8501.0)

NEW MOTOR VEHICLE SALES

In April 2010, 3,322 new passenger vehicles and 5,641 new vehicles in total (in seasonally adjusted terms) were sold in South Australia.

In Australia, 53,623 new passenger vehicles and 90,935 new vehicles in total (in seasonally adjusted terms) were sold in April 2010.

NEW MOTOR VEHICLE SALES, South Australia



(a) Trend series temporarily suspended from May 2009. See note below.

Source: Sales of New Motor Vehicles, Australia (cat. no. 9314.0)

Note: Suspension of Trend Estimates

Following the Federal Government Budget in May 2009, the eligibility period for the Small Business and General Business Tax Break was extended to December 2009. The rebate level was also increased for small businesses, allowing eligible businesses to claim an increased tax deduction on the purchase of new motor vehicles.

The trend series attempts to measure the underlying behaviour in new motor vehicle sales. In the short term, this measurement may be significantly affected by unusual influences in the original and seasonally adjusted data, like those observed in May and June 2009. If the trend estimates in the publication were to be calculated without fully accounting for this irregular event, they would be likely to provide a misleading view of the underlying trend in new motor vehicle sales activity.

The new motor vehicle sales trend series has therefore been suspended from May 2009. The trend series will be reintroduced when more certainty emerges in the underlying behaviour of new car sales.

Investment

 **INVESTMENT**

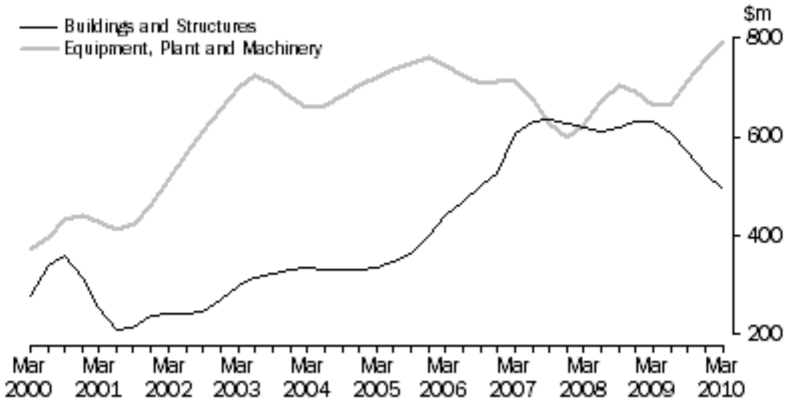
PRIVATE NEW CAPITAL EXPENDITURE

Between the December quarter 2009 and March quarter 2010, the South Australian chain volume (trend) estimate of private new capital expenditure rose by 0.2% to $1,284m. Expenditure on Equipment, plant and machinery rose $35m to $791m (an increase of 4.6%), whilst expenditure on Buildings and structures fell $32m (6.1%) to $495m.

Over the same period, private new capital expenditure for Australia rose $528m (1.9%) to $27,753m. Expenditure on Equipment, plant and machinery rose 2.4%, whilst expenditure on Buildings and structures rose 0.6%.

PRIVATE NEW CAPITAL EXPENDITURE, South Australia - Chain volume measures **-**

Trend



Source: Private New Capital Expenditure and Expected Expenditure, Australia (cat. no. 5625.0)

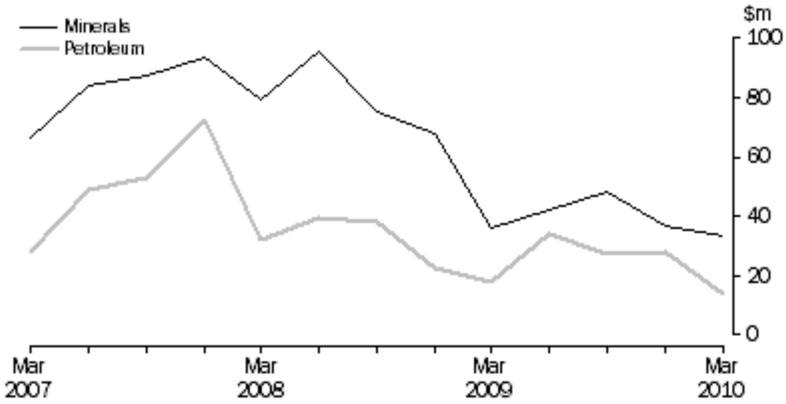
MINERAL AND PETROLEUM EXPLORATION EXPENDITURE

The value of South Australian mineral exploration expenditure (in original terms) was $33.7m in the March quarter 2010; a decrease of 8.9% over the previous quarter and 64.6% below the peak recorded in the June quarter 2008 ($95.2m). Australian expenditure on mineral exploration was $459.3m in the March quarter 2010; a decrease of 20.6% from the December quarter 2009 estimate ($578.8m).

Exploration expenditure on Copper ($17.1m) accounted for a little over half (50.7%) of all South Australian mineral exploration expenditure in the March quarter 2010. A further $9.9m was spent on exploration for Uranium ($5.2m) and Iron ore ($4.7m).

Expenditure on petroleum exploration in South Australia in the March quarter 2010 fell to a new low of $13.7m, down 51.2% from the previous quarter. In contrast, expenditure on petroleum exploration nationally increased by 4.4% from $827.0m to $863.5m over the same period.

MINERAL AND PETROLEUM EXPLORATION EXPENDITURE, Original, South Australia



Source: Mineral and Petroleum Exploration, Australia (cat. no. 8412.0)

Construction

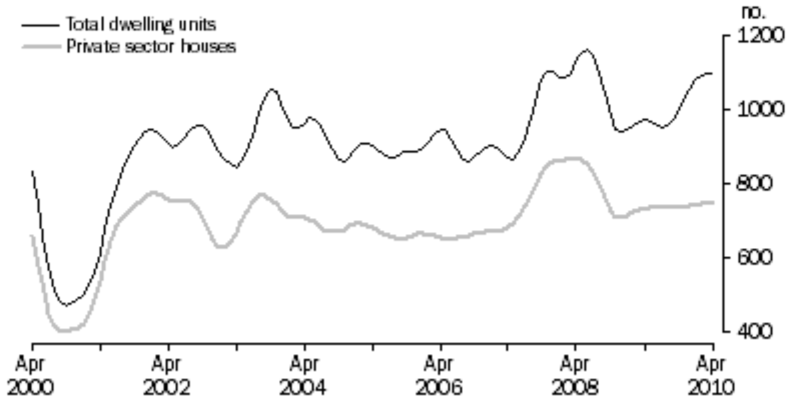
CONSTRUCTION

BUILDING APPROVALS

After increasing since August 2009, the number of dwelling units approved in South Australia (in trend terms) has plateaued in the last two months with 1,097 approvals recorded in April 2010. Similarly, the number of dwelling units approved at the national level has been relatively stable in recent months with 15,060 approvals in April 2010. This stability interrupts the upward movement that began in February 2009.

The trend estimate for the number of private sector houses approved in South Australia rose slightly to 753 in April 2010. Private sector house approvals as a proportion of total dwelling units have fallen from 76.9% in July 2009 to 68.6% in April 2010.

DWELLING UNITS APPROVED, Trend, South Australia



Source: Building Approvals, Australia (cat. no. 8731.0)

In the year to April 2010, the total number of dwelling units approved in South Australia fell 5.9% over the previous year. Decreases occurred across all statistical divisions with the South East Statistical Division recording the largest fall (21.8%), followed by the Northern Statistical Division (18.4%).

DWELLING UNITS APPROVED, by Statistical Division, Original, South Australia

	Year ended April 2009		Year ended April 2010	
	Dwelling units	Change over previous year	Dwelling units	Change over previous year
	no.	%	no.	%
Adelaide	8 870	2.4	8 622	-2.8
Outer Adelaide	1 669	4.6	1 532	-8.2
Yorke and Lower North	544	-10.7	459	-15.6
Murray Lands	499	14.4	463	-7.2
South East	527	35.8	412	-21.8
Eyre	316	14.5	264	-16.5
Northern	463	-2.9	378	-18.4
South Australia	**12 888**	**3.6**	**12 130**	**-5.9**

Source: Building Approvals, Australia - data available on request

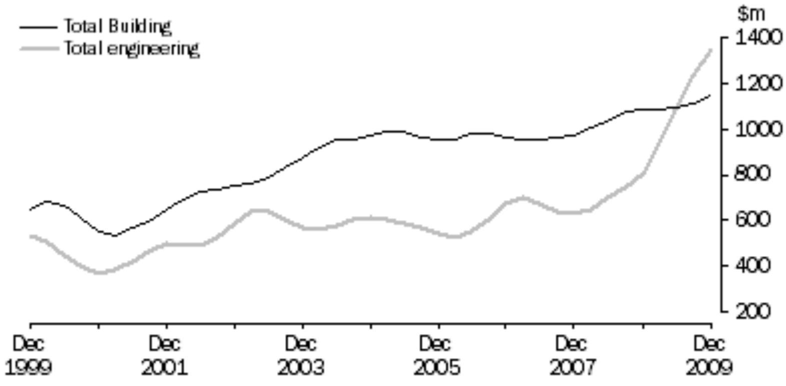
Map of South Australia's Statistical Divisions (PDF 3.083MB)

CONSTRUCTION WORK DONE

In the December quarter 2009, the total value of building work done (in trend terms) in South Australia rose to $1,149.8m, an increase of 2.8% over the September quarter.

The trend estimate for the value of engineering work done has more than doubled (114.2%) between the December quarters of 2007 and 2009 ($628.7m to $1,346.9m). For the last two quarters, the value of engineering work done has exceeded the value of building work done. This upsurge in engineering construction is the focus of the feature article presented in the April 2010 issue of SA Stats.

VALUE OF CONSTRUCTION WORK DONE, Chain Volume Measures **-** SA**:** Trend



Source: *Building Activity, Australia* (cat. no. 8752.0)
Engineering Construction Activity, Australia (cat. no. 8762.0)

Price Indexes

PRICE INDEXES

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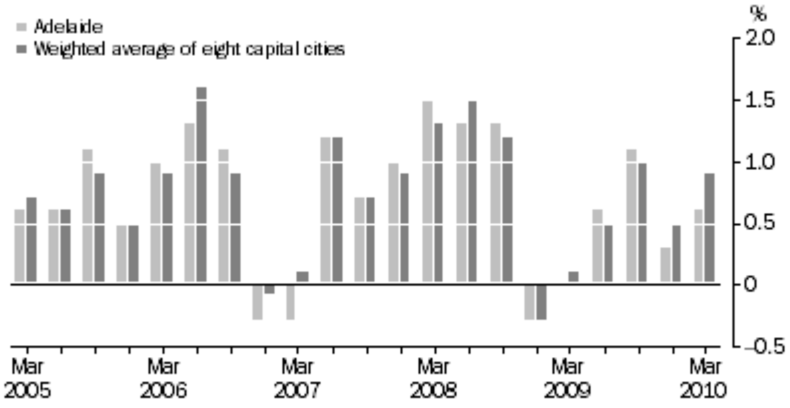
CONSUMER PRICE INDEX

The all groups consumer price index (CPI) for Adelaide rose 0.6% during the March quarter 2010, while the weighted average of the eight capital cities increased by 0.9% in the same period. Adelaide's CPI increased by 2.6% in the year ending March quarter 2010, compared with a 2.9% rise in the weighted average of the eight capital cities.

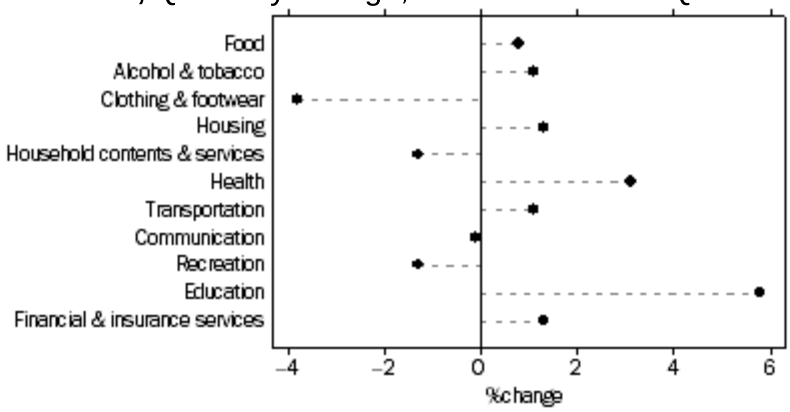
CONSUMER PRICE INDEX - ALL GROUPS, Quarterly change



Source: Consumer Price Index, Australia (cat. no. 6401.0)

Adelaide's largest percentage increases in prices from the previous quarter were in the areas of Education (5.8%) and Health (3.1%). The largest decreases in prices from the previous quarter were for Clothing and footwear (3.8%), Recreation (1.3%) and Household contents and services (1.3%).

CPI GROUPS, Quarterly change, Adelaide **-** March Quarter 2010

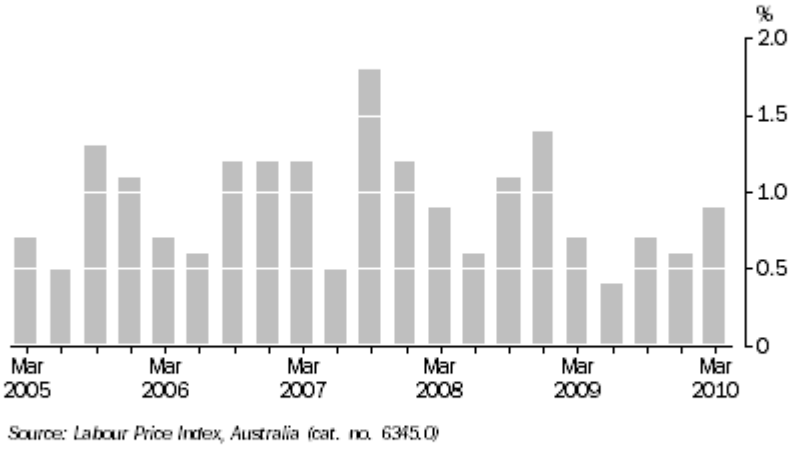


Source: Consumer Price Index, Australia (cat. no. 6401.0)

WAGE PRICE INDEX

The wage price index for all employee jobs in South Australia increased by 0.9% (in original terms) between the December quarter 2009 and March quarter 2010. This was equivalent to the national increase of 0.9% over the same period.

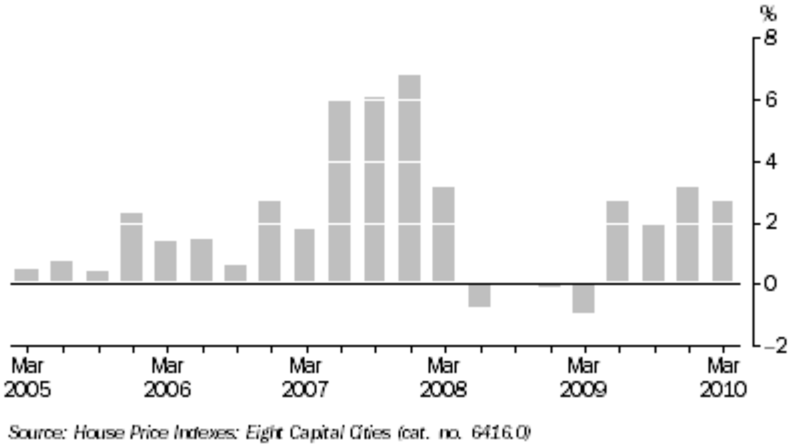
WAGE PRICE INDEX QUARTERLY CHANGES, Total hourly rates of pay excluding bonuses **-** Original**:** South Australia



HOUSE PRICE INDEX

Preliminary estimates show that, for the fourth consecutive quarter, the price index for established houses for Adelaide (in original terms) has increased with the March quarter 2010 2.7% higher than the previous quarter. Price rises were also recorded in all other capital cities between the December quarter 2009 and March quarter 2010 resulting in an increase in the price index for the weighted average of the eight capital cities of 4.8% over this period. Brisbane (2.0%) and Adelaide (2.7%) were the capitals with the smallest increases whilst Melbourne (6.7%) recorded the largest increase.

ESTABLISHED HOUSE PRICES, Quarterly change, Adelaide



In the 12 months to the March quarter 2010, preliminary estimates show the price index for established houses for Adelaide rose 10.8%, while the weighted average of the eight capital cities increased 20.0%. Melbourne (27.7%), Sydney (21.0%) and Canberra (20.6%) recorded the largest increases whilst Adelaide's increase of 10.8% was the lowest of all the capital cities.

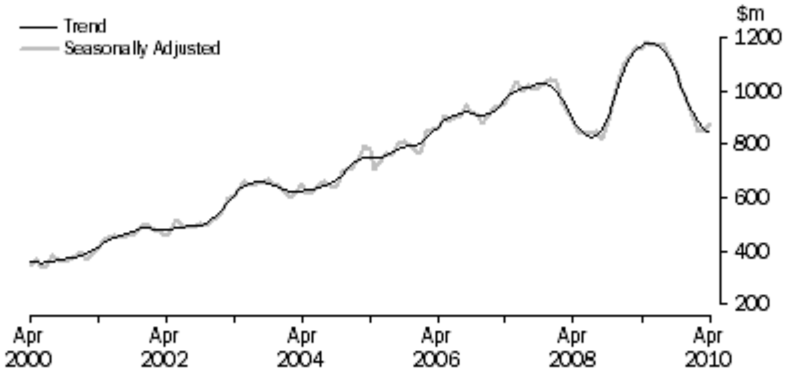
Housing Finance

 **HOUSING FINANCE**

HOUSING FINANCE COMMITMENTS

The trend estimate of the total value of housing finance commitments (owner occupation) in South Australia in April 2010 was $840m, a decrease of 2.1% from March 2010 ($858m) and the eleventh consecutive decrease since the peak of $1,182m recorded in May 2009. As a result of these decreases, the series has fallen to a level similar to August 2008. Nationally, the value of housing finance commitments for owner occupation was $13,476m in April 2010; 2.4% lower than March 2010 and 21.3% lower than the peak recorded in June 2009 ($17,131m).

HOUSING FINANCE COMMITMENTS (OWNER OCCUPATION) (a), South Australia

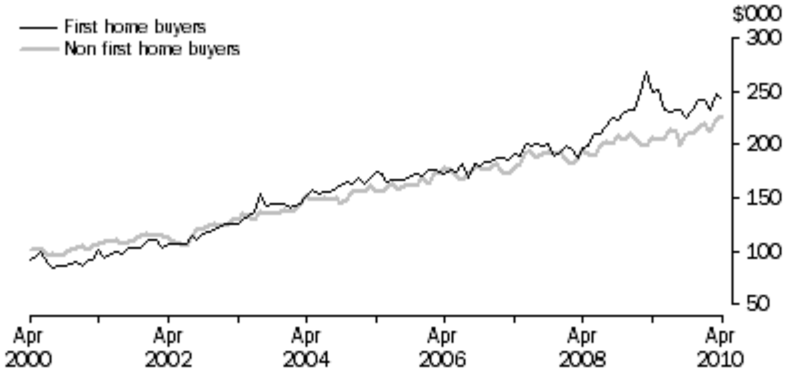


(a) Excludes alterations and additions. Includes refinancing.
Source: Housing Finance, Australia (cat. no. 5609.0)

In April 2010, the average home loan size for owner occupied dwellings in South Australia was $229,600, an increase of 1.2% over the previous month, but 20.0% lower than the average home loan size for Australia ($286,900).

In April 2010, the average loan commitment for first home buyers in South Australia fell to $241,900; a decrease of 2.7% over the March estimate. In contrast, the average loan size for non-first home buyers rose to $227,800, an increase of 1.9% over the same period. The April estimate of average loan commitments for first home buyers is 6.2% higher than for non-first home buyers, but 9.8% below the peak for first home buyer commitments in March 2009 ($268,300).

HOUSING FINANCE COMMITMENTS (OWNER OCCUPATION) (a), Average loan size, Original, South Australia



(a) Excludes alterations and additions. Includes refinancing.
Source: Housing Finance, Australia (cat. no. 5609.0)

For information on the house price index, please refer to the ' Price Indexes' topic.

International Merchandise Trade

INTERNATIONAL MERCHANDISE TRADE

EXPORTS AND IMPORTS

On a recorded trade basis, the value of South Australia's exports in April 2010 was $679m; an increase of 3.4% over March 2010 ($657m) but 1.5% lower than the value recorded in April 2009 ($690m).

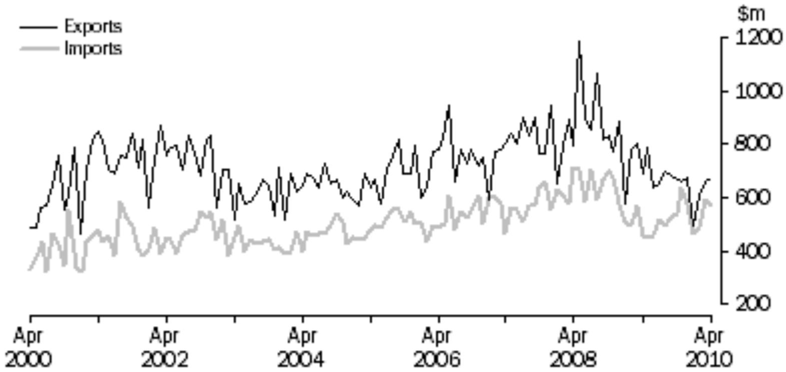
Wine remains South Australia's number one export commodity despite decreasing in value by approximately $31m (24.4%) between March and April 2010. Wine accounted for 14.0% of all exports, with copper (10.6%) and iron ore (9.7%) the next largest contributors.

The value of Australian merchandise exports for April 2010 was $17,543m; 7.6% higher than March 2010 ($16,307m) and 7.8% higher than the corresponding month of the previous year ($16,278m).

The value of South Australian merchandise imports fell to $569m in April 2010. This estimate represents a decrease of 4.0% over March 2010 ($593m) but is 24.9% higher than the value recorded in April 2009 ($455m).

The value of Australian merchandise imports for April 2010 was $16,818m; a decrease of 6.7% from the previous month but 3.8% higher than the value recorded in April of the previous year ($16,205m).

VALUE OF INTERNATIONAL MERCHANDISE EXPORTS AND IMPORTS (a), on a recorded trade basis, South Australia



(a) Exports where the final stage of production or manufacture occurs in South Australia.
Source: International Trade in Goods and Services, Australia (cat. no. 5368.0)

Water

WATER

RAINFALL

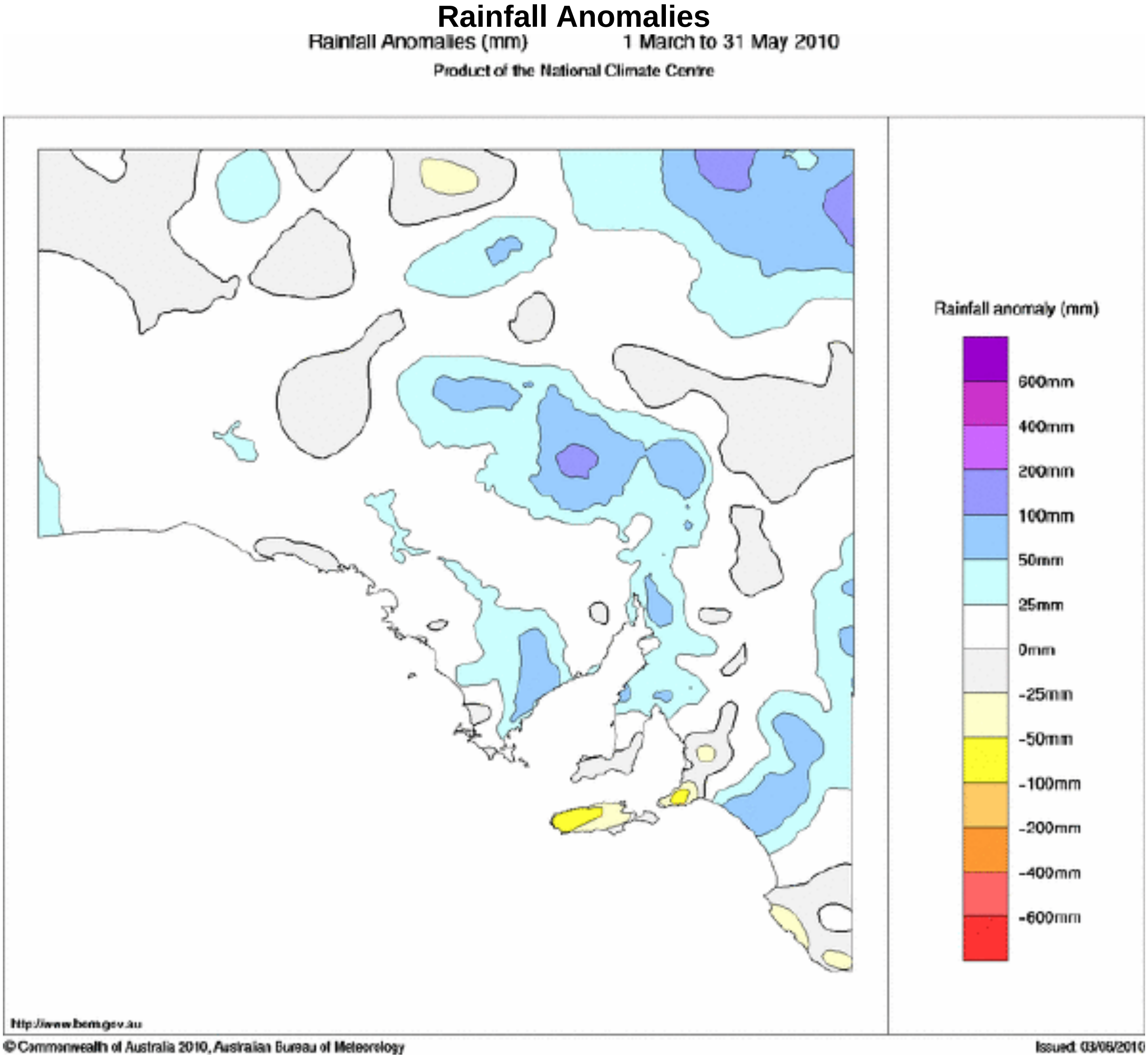
According to the Bureau of Meteorology's Seasonal Climate Summary for South Australia, Autumn 2010 produced generally warmer than average temperatures and above average rainfall across most of the state.

Much of the rainfall recorded over the season was as a result of an event in early April and in the last week of May.

Almost all pastoral districts received above average rainfall. The highest autumn rainfall in these areas was recorded in Andamooka with 177.4mm, more than three times their autumn average of 45.3mm.

Rainfall totals were generally above average over agricultural districts, though coastal locations were near average, with rainfall totals typically between 80 to 140mm.

Rainfall Anomalies

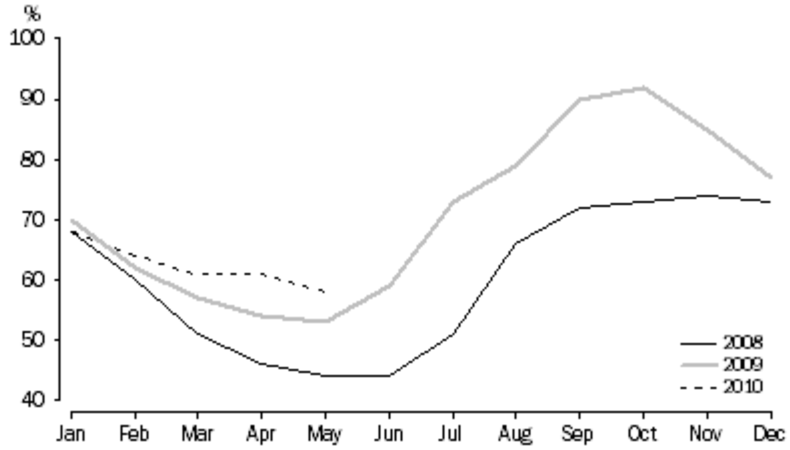


Source: 3-monthly rainfall anomalies for South Australia, Australian Bureau of Meteorology

RESERVOIR LEVELS

According to the Bureau of Meteorology, Crafers in the Mount Lofty Ranges received the states highest rainfall in May 2010 (133.6mm). The Mount Lofty Ranges is the main catchment area for Adelaide's reservoirs, but despite the good rains at Crafers total water storage at the end of May had fallen to 58% of capacity, down from 61% the previous month. The May 2010 capacity is higher than the levels available in May 2009 (53%) and considerably higher than May 2008 (44%).

TOTAL RESERVOIR STORAGE, As a percentage of capacity, Adelaide



Source: SA Water daily reservoir levels

About this Release

SA Stats provides an overview of the South Australian population and economy. The publication is updated on a monthly basis, with most releases also featuring an article that provides a South Australian focus on economic, social and environmental issues.

Explanatory Notes are not included in SA Stats in the form found in other Australian Bureau of Statistics (ABS) publications. Readers are directed to the Explanatory Notes contained in related ABS publications.

International Students and the VET sector in South Australia (Feature Article)

FEATURE ARTICLE: INTERNATIONAL STUDENTS AND THE VET SECTOR IN SOUTH AUSTRALIA

INTRODUCTION

International students are significant contributors to the South Australian economy. Historically, growth in international student enrolments in South Australia has been driven by students choosing to study at one of the state's Higher Education institutions but in recent years growth in international student enrolments in the Vocational Education Training (VET) sector has exceeded that of all other educational sectors.

The number of course enrolments by students choosing to study here has trebled since 2002 and education related export income generated by these students accounted for almost 10% of South Australia's total export income in 2009. To capitalise on the economic and cultural benefits of international students, South Australia has set itself the target of doubling its share of the total number of international students in Australia by 2014 (South Australia's Strategic Plan 2007, Target 1.16).

After first presenting a brief overview of the economic contribution of international students and the number of enrolments across all education sectors in South Australia, this article will focus on the VET sector. Changes in enrolments with government and non-government providers as well as a breakdown of enrolments by broad and narrow fields of study will also be presented.

Data have been sourced from ABS publications International Trade in Services (cat. no. 5368.0) and International Trade in Goods and Services (cat. no. 5368.0.55.004) as well as Australian Education International (AEI) statistics covering the calendar years 2002 to 2009.

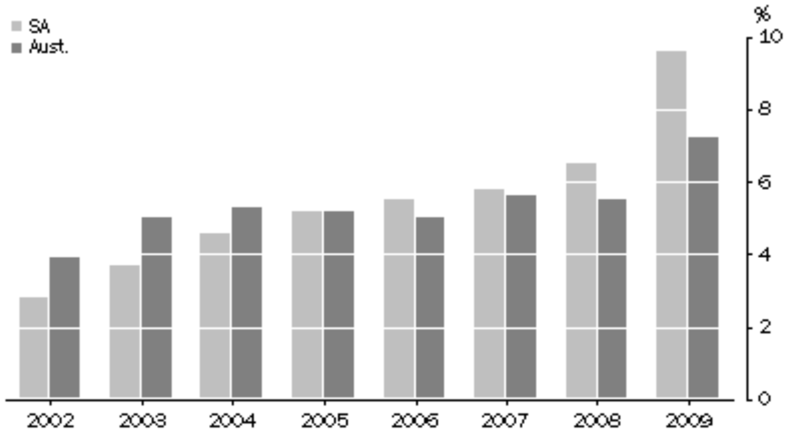
CONTRIBUTION TO THE SOUTH AUSTRALIAN ECONOMY

International students are not permanent residents of Australia; they are full-fee paying students studying in Australia on a student visa (AEI, 2009). Note this definition does not include New Zealand citizens as they do not require a student visa to study in Australia. For the purposes of economic statistics international students are classified as travellers, despite often remaining in the country for more than 12 months which is the timeframe that defines the non-studying traveller.

As a traveller, all expenditure by an international student (on tuition fees, course materials, food, accommodation, transport etc.,) is regarded as income from international trade in education services - that is, as export income. In 2002, this expenditure by international students in South Australia totalled $294m and represented 2.8% of the state's total exports. By 2009 expenditure by international students had more than trebled to $990m which represented 9.6% of the state's total exports. At the national level, expenditure by international students represented 3.9% and 7.2% of total exports in 2002 and 2009 respectively.

The average annual growth rate of income from education related services over this period was 18.9% in South Australia and 16.6% at the national level.

EXPORT INCOME, Education related services income relative to Total Export income



Source: International Trade in Goods and Services (cat. no. 5368.0)
International Trade in Services by County, by State and by Detailed Services Category, Calendar Year 2009 (cat. no. 5368.0.55.004)

To understand the full economic contribution of international students to the South Australian economy requires more than a simple analysis of their total expenditure. Expenditure by students is not confined to the education sector; it has flow-on effects and can add value to other sectors of the economy (Access Economics, 2009). A flow-on suggested in a recent study undertaken by Tourism Research Australia (TRA 2007) was that for every two international students undertaking formal study in Australia, one friend or relative visited during their stay thus generating more export income. Assessing flow-on effects, value-added to various industries and impacts on employment is, however, beyond the scope of this article.

ENROLMENTS BY EDUCATION SECTOR

According to a variety of organisations promoting Australia as a study destination (e.g., Australian Government through its website 'Study in Australia'; South Australian Government through its website 'South Australia: A Brilliant Blend' and, private organisation IDP Education), there are a number of reasons why people should choose to study in Australia in general and South Australia. These include, but are not limited to, the quality of the education programs on offer, the recognition of Australian qualifications in the international community, affordability (especially in relation to studying in the USA or UK) and the belief that Australia is a safe place.

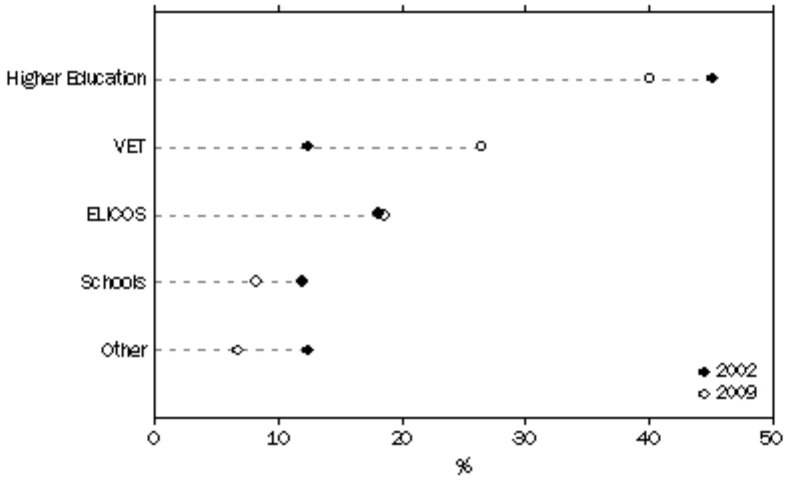
The number of international student enrolments in South Australia has increased markedly over the last 8 years; from 11,074 in 2002 to 33,731 in 2009, an increase of 204.6%. This growth is substantially higher than the growth recorded at the national level (130.9%) and is the largest of any state or territory. Enrolment data compiled by AEI counts actual course enrolments and should not been taken to represent the number of overseas students in Australia or the number of student visas issued. For example, a student enrolled in both the higher education and vocational sectors will have both enrolments counted.

Whilst the Higher Education sector has attracted the highest number of enrolments for each year in the period being discussed, growth in the international education market in South Australia has been driven by growth in the VET sector. In 2002, enrolments in Higher Education and English Language Intensive Courses for Overseas Students (ELICOS) accounted for 45.1% and 18.1% of international enrolments respectively. Contributions of the remaining three sectors i.e., Schools, Other and VET, ranged from 11.9% to 12.4%.

By 2009 the composition of international student enrolments had changed with all sectors

except ELICOS losing market share to the VET sector. Higher Education still attracted the majority of international enrolments but its share of the market had fallen to 40.1% as the VET and ELICOS sectors increased to 26.4% and 18.5% respectively.

INTERNATIONAL STUDENT ENROLMENTS, Proportion of enrolments by education sector **-** South Australia



Source: AEI 2009

FOCUS ON VET SECTOR IN SOUTH AUSTRALIA

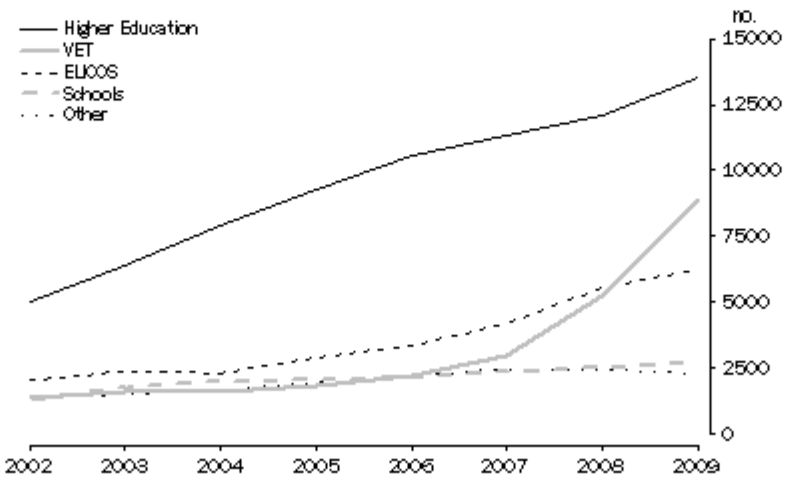
"VET is a term used internationally to describe education and training arrangements designed to prepare people for work or to improve the knowledge and skills of people already working". (IJTR, 2009)

Up until the mid 1990's, institutes of Technical and Further Education (referred to as TAFE) dominated the Australian VET market accounting for 82% of the 1.35 million students enrolled in TAFE courses in 1996 (DEET, 1998). There were relatively few international students studying in Australia on a user pays basis at that time. However, changes in policy, legislation, regulations and the level of public spending over the years increased the opportunity for international students to pay to come to Australia to study (DEET, 1998; DEEWR 2008). For the VET sector in particular, the implementation of several reforms and changes exposed TAFEs to more competition and dissolved 'its former monopoly on recognised VET qualifications' (DEET, 1998).

Facilitating access to international markets by increasing VET exports on-and-off-shore is a strategy currently being pursued under the National Strategy for VET 2004-2010 to improve the "quality, accessibility, responsiveness and reliability of vocational education and training across Australia" (ANTA 2004)

The number of enrolments by international students in the South Australian VET sector in 2009 was substantially higher than the level recorded in 2002 (1,377 enrolments) with most of this growth occurring in the last three years when enrolments jumped from 2,961 in 2007 to 8,919 in 2009 (an increase of 201.2%). In 2002, the state attracted 2.6% of the nation's international student enrolments in the VET sector and this proportion had increased to 3.8% by 2009. The VET sector recorded a higher average annual rate of growth than any other sector of education in South Australia.

INTERNATIONAL STUDENT ENROLMENTS, By Education sector **-** South Australia



Source: AEI 2009

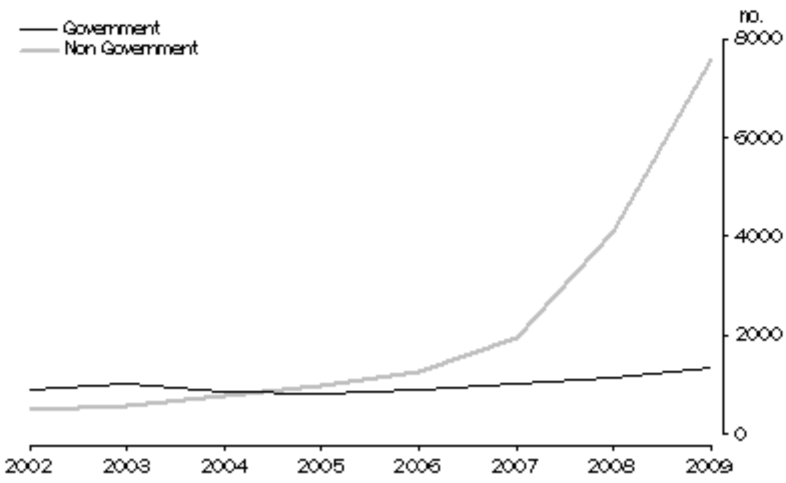
At the national level, enrolments by international students in the VET sector overtook enrolments in the Higher Education sector for the first time in 2009. Whilst enrolments in Higher Education still accounted for about one third of the market (33.5% in 2008 and 32.2% in 2009), enrolments in the VET sector had increased at a faster rate to account for 36.8% of all enrolments (up from 32.2% in 2008).

Enrolments by government and non-government providers

Courses in the VET sector are delivered by approved providers which are referred to as Registered Training Organisations (RTOs) which can be classified as either government or non-government providers. TAFEs were the dominant providers in the VET sector in Australia up until the mid 1990s but since that time, the exposure of TAFEs to greater competition has seen the number of non-government providers increase.

Analysis of international student enrolments in South Australia shows that much of the growth in VET sector enrolments over the period 2002 to 2009 occurred as a result of increased interest in courses offered by non-government providers. This has been particularly evident over the last three years. Enrolment numbers for both government and non-government VET providers were similar in 2005. However, since 2007 enrolment numbers have been diverging markedly. In 2005 the number of enrolments in government VET courses (primarily TAFE) was 831 whilst non-government VET courses attracted 971 enrolments. In 2009 the numbers had increased to 1,338 and 7,581 respectively. As a result of this large increase, non-government providers have increased their share of international student enrolments from 53.9% in 2005 to 85.0% in 2009. Nationally enrolments in non-government VET courses accounted for 76.3% of the market in 2005 and 85.7% in 2009.

INTERNATIONAL STUDENT ENROLMENTS IN VET, By provider**:** South Australia



Source: AEI 2009

The recently completed Baird Review of the Education Services for Overseas Students (ESOS) Act 2000 suggested that this rapid growth may have come at the expense of quality. In particular the Review noted that "the expansion of the private VET sector has given rise to concerns that some operators enter the sector with their eye on the money not education."

A significant amount of work is currently being undertaken with regard to the legislative and regulatory framework surrounding the international education sector to try and ensure the quality of the sector is maintained.

Field of VET study

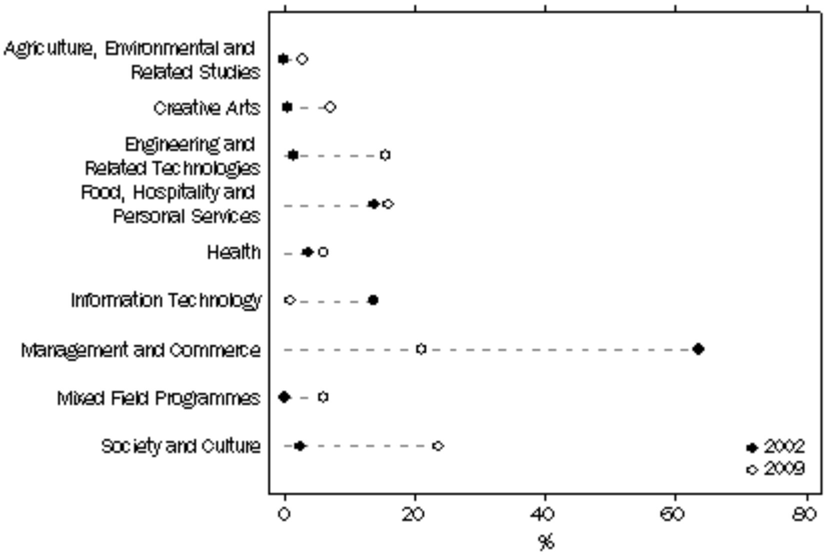
AEI enrolment data by Field of Education has been used to look at the changing preferences of international students enrolling in courses delivered by non-government providers in South Australia. 'Broad Field of Education' categories are distinguished from each other primarily on the basis of the theoretical content and the purpose of learning. (ABS, 2001).

In 2002, 'Management and Commerce' courses were the most popular attracting 63.6% of all non-government VET enrolments. Courses relating to 'Food, Hospitality and Personal Services' (13.9%) and 'Information Technology' (13.7%) were also popular.

By 2009, courses focusing on 'Society and Culture' had had the largest increase in enrolments (from 13 to 1,784) to become the most popular accounting for 23.7% of enrolments (up from 2.7% in 2002). 'Engineering and Related Technologies' also recorded a large increase in enrolments (from 7 to 1,184) and accounted for 15.6% of enrolments (up from 1.5% in 2002).

Despite increasing from 302 enrolments in 2002 to 1,602 enrolments in 2009, 'Management and Commerce' courses attracted 21.1% of enrolments in 2009 after dominating VET enrolments in 2002. Enrolments in 'Information Technology' courses increased from 65 to 85 over the period but as a proportion of all enrolments, this field's share fell from 13.7% to 1.1%.

ENROLMENTS IN BROAD FIELDS OF EDUCATION, Non-government VET **-** Proportion**:** South Australia



Source: AEI 2009

Narrow Fields of Education are a subdivision of Broad Fields and the six most popular categories are presented in the table below.

A substantial increase in the number of enrolments in 'Human Welfare Studies and Services' between 2007 and 2009 (up from 208 to 1,708; an increase of 721.1%) was the driving force behind the increased number of enrolments in the Broad Field of 'Society and Culture'. Similarly, the increase in enrolments in 'Business and Management' over this period (up from 890 in 2007 to 1, 563 in 2009; an increase of 75.6%) accounted for much of the increase in 'Management and Commerce' enrolments.

Enrolments in Narrow Fields of Education, Non-government VET - Proportion, South Australia

	2007	2008	2009
Human Welfare Studies and Services	208	1 194	1 708
Business and Management	890	1 110	1 563
Food and Hospitality	16	52	859
Personal Services	78	81	361
Automotive Engineering and Technology	-	48	340
Aerospace Engineering and Technology	163	263	314

- nil or rounded to zero (including null cells)
Source: AEI 2009

SUMMARY

Accounting for almost 10% of the state's export income in 2009, international students are valuable contributors to the South Australian economy. The number of enrolments of international students has trebled since 2002.

Both for South Australia and the nation, the VET sector has grown at a faster rate than any other education sector. Whilst the Higher Education sector attracts more enrolments in South Australia it is loosing market share to the VET sector. The majority of this growth in the VET sector has come in the last three years and can be attributed to increased enrolments in courses delivered by non-government providers.

In 2005, the number of international student enrolments in courses delivered by government and non-government VET providers was almost equal, but over the next five years numbers of enrolments in non-government providers sharply rose while enrolments in government providers remained relatively static.

The largest increase in international student enrolments in non-government VET courses over the 2002 to 2009 period occurred for 'Society and Culture'. For the same period, as a percentage of total enrolments, decreases occurred in the fields of 'Management and Commerce' and 'Information Technology'.

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